

Declassified in Part - Sanitized Copy Approved for Release 2013/05/08 : CIA-RDP88G00186R001201570009-1

**Page Denied**

Next 1 Page(s) In Document Denied

No. ER85-397COPY 007  
*NSSD-3-85*

# NATIONAL SECURITY COUNCIL INFORMATION

*106-12*

## Notice

The attached document contains classified National Security Council Information. It is to be read and discussed only by persons authorized by law.

Your signature acknowledges you are such a person and you promise you will show or discuss information contained in the document only with persons who are authorized by law to have access to this document.

Persons handling this document acknowledge he or she knows and understands the security law relating thereto and will cooperate fully with any lawful investigation by the United States Government into any unauthorized disclosure of classified information contained herein.

## Access List

DATE	NAME	DATE	NAME
850128	DDA		

91349

THE WHITE HOUSE  
WASHINGTON  
January 24, 1985

Executive Registry

85- 397

FOR OFFICIAL USE ONLY

DD/A Registry

85-0331

MEMORANDUM FOR THE VICE PRESIDENT  
THE SECRETARY OF STATE  
THE SECRETARY OF DEFENSE  
THE SECRETARY OF COMMERCE  
THE SECRETARY OF TRANSPORTATION  
THE DIRECTOR, OFFICE OF MANAGEMENT AND  
BUDGET  
THE DIRECTOR OF CENTRAL INTELLIGENCE  
THE CHAIRMAN, JOINT CHIEFS OF STAFF  
THE DIRECTOR, ARMS CONTROL AND DISARMAMENT  
AGENCY  
THE DIRECTOR, OFFICE OF SCIENCE AND TECHNOLOGY  
POLICY  
THE ADMINISTRATOR, NATIONAL AERONAUTICS AND  
SPACE ADMINISTRATION  
THE ASSISTANT TO THE PRESIDENT FOR POLICY  
DEVELOPMENT

SUBJECT: Shuttle Pricing

The President has signed the attached NSSD on Shuttle Pricing in order to assign interagency responsibilities for resolution of this issue. Also, for your information attached is a Memorandum of Understanding (MOU) signed by Craig Fuller, Assistant to the President for Cabinet Affairs, and me which delineates policy oversight responsibilities for space issues. The MOU was drafted at the President's direction following completion of the study on the Commercial Use of Space and the formation of the CCCT Commercial Space Working Group.

  
Robert C. McFarlane

Attachments  
NSSD, Shuttle Pricing  
MOU for Policy Oversight of Space Issues

FOR OFFICIAL USE ONLY

COPY 8 OF 13 COPIES

## THE WHITE HOUSE

WASHINGTON

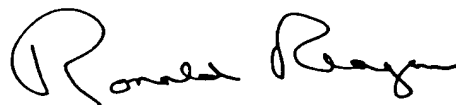
January 24, 1985

NATIONAL SECURITY STUDY  
DIRECTIVE NUMBER 3-85

SHUTTLE PRICING

NSDD 144, National Space Strategy, directs that on October 1, 1988, prices for Space Transportation System (STS) services and capabilities provided to commercial and foreign users will reflect the full cost of services and capabilities. NASA was directed to develop a time-phased plan for implementing full cost recovery and OMB was directed to chair preparation of an interagency assessment of the ability of the U.S. private sector and the STS to maintain international competitiveness in the provision of launch services. Subsequent to the issuance of NSDD 144, the Commercial Space Working Group under the Cabinet Council on Commerce and Trade (CCCT) initiated a review of the Shuttle pricing issue.

Because of the impact of the Shuttle pricing issue on the overall U.S. Space Program, the Senior Interagency Group (SIG) for Space will assume lead responsibility on this issue, including the preparation of briefing papers and the NSDD for my consideration. The SIG(Space) Working Group, chaired by the NSC staff, will use the NASA time-phased plan, the OMB assessment, the CCCT/Commercial Space Working Group review and any other relevant material as the basis for framing the issue and identifying appropriate options. The CCCT Commercial Space Working Group will review the NASA Shuttle pricing proposal with regard to its impact on commercial activity in space. The CCCT will be briefed by the SIG(Space) on the results of this effort, and comments will be solicited from all agencies prior to my review.



COPY 8 OF 13 COPIES  
CIA

THE WHITE HOUSE  
WASHINGTON  
MEMORANDUM OF UNDERSTANDING  
FOR  
POLICY OVERSIGHT OF SPACE ISSUES

In light of the President's approval of the formation of a Commercial Space Working Group under the Cabinet Council on Commerce and Trade (CCCT), in accordance with the July 18, 1984, decision memorandum regarding the commercial use of space, the following is agreed upon as an appropriate approach for assuring minimum duplication of effort and maximum policy coordination regarding space matters.

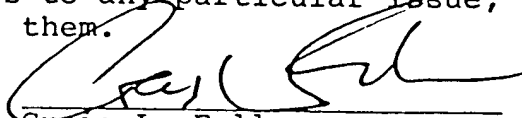
In general terms, the CCCT and its Commercial Space Working Group will provide a forum for matters pertaining to the commercial use of space. When an issue is primarily concerned with commercial activity in space, but has implications for other sectors of the US Space Program, the CCCT/Commercial Space Working Group will take the lead in resolving the issue, but will consult with the SIG (Space). The Commercial Space Working Group may request studies or papers from specific agencies on matters relating to commercial activity in space. The CCCT/Commercial Space Working Group will be responsible for properly preparing the decision memoranda and/or briefing papers for the President on matters concerning commercial activity in space that are to be presented to the President by the CCCT.

The SIG (Space) will continue its role as a forum for reviewing and advising on proposed changes to national space policy and for implementing policy for the overall US space program. The SIG (Space) will continue to establish working groups or designate lead agencies to examine individual issues. Lead responsibilities will normally be assigned on the basis of the organization most effected by the decision. In these cases, the SIG (Space) will be responsible for properly preparing the issue and identifying all viable options. In those instances where an issue has commercial space implications, the SIG (Space) will consult with the CCCT/Commercial Space Working Group.

In those instances when a decision by the President is required, either the NSC or the CCCT, chaired by the President, may be used as the forum regardless of which group examined the issue. The group that examined the issue will make the presentation.

In the event of differing views on the interpretation of the above understanding as it applies to any particular issue, the undersigned will jointly resolve them.

  
Robert C. McFarlane

  
Craig L. Fuller

January 24, 1985